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USDOC FOR 532/OEA/ADYSON
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR PATRICK SANTILLO
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A

TAGS: BMGT BEXP HK ETRD ETTC

SUBJECT: EXTRANCHECK: PRE-LICENSE CHECK: SCITOP INSTRUMENT CO

REF: A) BIS e-mail PLC request dated August 12, 2009 B) D421434 C)
HK 03068 (2007)

¶11. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

¶12. As per reftel A request and at the direction of the Office of Enforcement Analysis (OEA) of the USDOC Bureau of Industry and Security (BIS), Export Control Officer Philip Ankel (ECO), conducted a Pre License Check (PLC) at Scitop Instrumentation Co, Unit 2, 28/F, Kwong Kin Trade Centre, No. 5 Kin Fat St., New Territories, Hong Kong (SCITOP). The item in question is a centrifugal pump classified under Export Control Classification Number (ECCN) 2B350 and controlled for chemical and biological weapons reasons (CB). This pump is the subject of export license application D421434. The license applicant is Cole Parmer Instrument Company of Vernon Hills, Illinois.

¶13. SCITOP was the subject of a prior unfavorable EUC in 2007 as more fully described in reftel C. In that case, SCITOP was unable to account for the final disposition of other CB controlled items sent under BIS license.

¶14. SCITOP has maintained its web presence at www.scitop.com as noted in reftel C. According to the Hong Kong Companies Registry, SCITOP's sole director is listed as Mr. Wong, Yuk Cheung (this is down from several directors in 2007). SCITOP's parent company is registered as Trade International Limited.

¶15. On August 20, 2009, ECO visited the company and met with Mr. Wong with whom ECO had met in 2007. Mr. Wong recalled the prior meeting. Mr. Wong stated that the business had remained more or less the same since that time (although some directors had left the company and business was down a bit). Mr. Wong's business card lists Guangzhou (SCITOP Instrument Company Ltd.) and Shenzhen affiliates (Right Products Company Limited) as well as a Shanghai sales office. Mr. Wong stated that the parent company (Trade International) previously owned other subsidiaries but that this company will be closed in the coming months. Mr. Wong characterized the mainland operations of the company as comprised of sales agents.

¶16. As to the specific order in question, Mr. Wong provided a purchase order from his customer ASTRI. This entity is a Hong Kong government affiliated business incubator for Hong Kong companies (ASTRI.org). A call to ASTRI confirmed that this entity had ordered the item in question.

¶17. Mr. Wong conceded that the prior post shipment verification (PSV) had not gone well in that he had been unable to confirm the final destination of certain items. He stated that the PSV had been a learning experience for him and that he understood better now the need to keep better records and to have greater control over transactions with controlled items.

¶8. Based on the information detailed herein, ECO believes the item in question is destined to ASTRI as provided in license application D421434.

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